

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

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MAG

In re: Medizone International, Inc.

Case No.

BK-S 18-12662-LEB

2018 SEP 26 PM 3 29

CHAPTER 7

MONTHLY OPERATING REPORT

(GENERAL BUSINESS CASE)

U.S. BANKRUPTCY COURT

MARY A. SCHOTT, CLERK

SUMMARY OF FINANCIAL STATUS

MONTH ENDED: Aug-18PETITION DATE: 05/08/18

1. Debtor in possession (or trustee) hereby submits this Monthly Operating Report on the Cash Basis of accounting (or if checked here the Office of the U.S. Trustee or the Court has approved the Cash Basis of Accounting for the Debtor). X
Dollars reported in \$1

2. **Asset and Liability Structure**

	<u>End of Current Month</u>	<u>End of Prior Month</u>	<u>As of Petition Filing</u>
a. Current Assets	\$298,810	\$27,457	
b. Total Assets	\$298,810	\$17,155,692	
c. Current Liabilities	\$0	\$0	
d. Total Liabilities	\$3,971,782	\$3,971,782	

3. **Statement of Cash Receipts & Disbursements for Month**

	<u>Current Month</u>	<u>Prior Month</u>	<u>Cumulative (Case to Date)</u>
a. Total Receipts	\$325,138	\$46,785	\$428,516
b. Total Disbursements	\$53,786	\$33,955	\$129,707
c. Excess (Deficiency) of Receipts Over Disbursements (a - b)	\$271,352	\$12,830	\$298,810
d. Cash Balance Beginning of Month	\$27,458	\$14,627	\$0
e. Cash Balance End of Month (c + d)	\$298,810	\$27,457	\$298,810

4. **Profit/(Loss) from the Statement of Operations**

	<u>Current Month</u>	<u>Prior Month</u>	<u>Cumulative (Case to Date)</u>
	\$372,257	\$12,830	

5. **Account Receivables (Pre and Post Petition)**

	\$0		
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6. **Post-Petition Liabilities**

	\$0		
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7. **Past Due Post-Petition Account Payables (over 30 days)**

	\$0		
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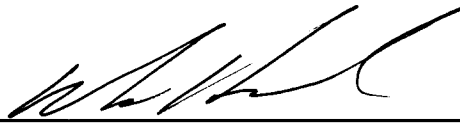
At the end of this reporting month:

	<u>Yes</u>	<u>No</u>
8. Have any payments been made on pre-petition debt, other than payments in the normal course to secured creditors or lessors? (if yes, attach listing including date of payment, amount of payment and name of payee)		X
9. Have any payments been made to professionals? (if yes, attach listing including date of payment, amount of payment and name of payee)	X	
10. If the answer is yes to 8 or 9, were all such payments approved by the court?	X	
11. Have any payments been made to officers, insiders, shareholders, relatives? (if yes, attach listing including date of payment, amount and reason for payment, and name of payee)		X
12. Is the estate insured for replacement cost of assets and for general liability?	X	
13. Are a plan and disclosure statement on file?		X
14. Was there any post-petition borrowing during this reporting period?	X	

15. Check if paid: Post-petition taxes ; U.S. Trustee Quarterly Fees ; Check if filing is current for: Post-petition tax reporting and tax returns: .
(Attach explanation, if post-petition taxes or U.S. Trustee Quarterly Fees are not paid current or if post-petition tax reporting and tax return filings are not current.)

I declare under penalty of perjury I have reviewed the above summary and attached financial statements, and after making reasonable inquiry believe these documents are correct.

Date: 9/25/2018 0:00

William M. Holland, CFE 
Court Appointed Special Accountant

STATEMENT OF OPERATIONS

(General Business Case)

For the Month Ended August, 2018

Current Month

Actual	Forecast	Variance
		0.00
		0.00
		0.00
		0.00
		0.00
3977.96		3977.96
298159.91		298159.91
123905.00		123905.00
		0.00
426042.87	0.00	426042.87
		0.00
23932.44		-23932.44
		0.00
2304.69		-2304.69
		0.00
		0.00
2187.00		-2187.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
885.58		-885.58
		0.00
		0.00
		0.00
		0.00
718.64		-718.64
447.45		-447.45
25.41		-25.41
3225.76		-3225.76
		0.00
		0.00
		0.00
		0.00
		0.00
33726.97	0.00	-33726.97
392315.90	0.00	392315.90
-20058.73		20058.73
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
-20058.73	0.00	-20058.73
372257.17	0.00	372257.17
		0.00
372257.17	0.00	372257.17

Revenues:

1	Gross Receipts	
2	less: Sales Returns & Allowances	
3	Net Sales	
4	less: Cost of Goods Sold (Schedule 'B')	
5	Gross Profit	
6	Insurance Refund	
7	Sale of Medizone Assets:	
8	Borrowing - Court Approved	
9		

Cumulative
(Case to Date)Next Month
Forecast

10 Total Revenues

Expenses:

11	Compensation to Owner(s)/Officer(s)	
12	Salaries	
13	Commissions	
14	Contract Services	
	Rent/Lease:	
15	Personal Property	
16	Real Property	
17	General Business Insurance	
18	Management Fees	
19	Depreciation	
	Taxes:	
20	Employer Payroll Taxes	
21	Real Property Taxes	
22	Other Taxes	
23	Medical Samples Expenses	
24	General Business Expenses	
25	Interest	
26	Other Expenses:	
27	Product Liability Insurance	
28	Bank Fees	
29	Telephone Fees	
30	Lab Licensing & Annual Renewal	
31		
32		
33		
34		

35 Total Expenses

36 Subtotal

Reorganization Items:

37	Professional Fees	
38	Provisions for Rejected Executory Contracts	
39	Interest Earned on Accumulated Cash from Resulting Chp 11 Case	
40	Gain or (Loss) from Sale of Equipment	
41	U.S. Trustee Quarterly Fees	
42		

43 Total Reorganization Items

44 Net Profit (Loss) Before Federal & State Taxes

45 Federal & State Income Taxes

46 Net Profit (Loss)

Attach an Explanation of Variance to Statement of Operations (For variances greater than +/- 10% only):

BALANCE SHEET
(General Business Case)
For the Month Ended August, 2018

Assets**Current Assets****From Schedules****Market Value**

1	Cash and cash equivalents - unrestricted		\$298,810
2	Cash and cash equivalents - restricted		
3	Accounts receivable (net)	A	\$0
4	Inventory	B	\$0
5	Prepaid expenses		
6	Professional retainers		
7	Other: _____		
8	_____		
9	Total Current Assets		\$298,810

Property and Equipment (Market Value)

10	Real property	C	\$0
11	Machinery and equipment	D	\$0
12	Furniture and fixtures	D	\$0
13	Office equipment	D	\$0
14	Leasehold improvements/ Other	D	\$0
15	Vehicles	D	\$0
16	Other: _____	D	
17	_____	D	
18	_____	D	
19	_____	D	
20	_____	D	
21	Total Property and Equipment		\$0

Other Assets

22	Loans to shareholders		
23	Loans to affiliates		
24	_____		
25	_____		
26	_____		
27	_____		
28	Total Other Assets		\$0
29	Total Assets		\$298,810

NOTE:

Indicate the method used to estimate the market value of assets (e.g., appraisals; familiarity with comparable market prices, etc.) and the date the value was determined.

Liabilities and Equity
(General Business Case)

Liabilities From Schedules

Post-Petition

Current Liabilities

30	Salaries and wages		
31	Payroll taxes		
32	Real and personal property taxes		
33	Income taxes		
34	Sales taxes		
35	Notes payable (short term)		
36	Accounts payable (trade)	A	
37	Real property lease arrearage		
38	Personal property lease arrearage		
39	Accrued professional fees		
40	Current portion of long-term post-petition debt (due within 12 months)		
41	Other:		
42			
43			
44	Total Current Liabilities		\$0

Long-Term Post-Petition Debt, Net of Current Portion

46	Total Post-Petition Liabilities		\$0
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Pre-Petition Liabilities (allowed amount)

47	Secured claims	F	\$0
48	Priority unsecured claims	F	\$287,500
49	General unsecured claims	F	\$3,684,282
50	Total Pre-Petition Liabilities		\$3,971,782
51	Total Liabilities		\$3,971,782

Equity (Deficit)

52	Retained Earnings/(Deficit) at time of filing		
53	Capital Stock		
54	Additional paid-in capital		
55	Cumulative profit/(loss) since filing of case		
56	Post-petition contributions/(distributions) or (draws)		
57			
58	Market value adjustment		(\$3,672,972)
59	Total Equity (Deficit)		(\$3,672,972)
60	Total Liabilities and Equity (Deficit)		\$298,810

SCHEDULES TO THE BALANCE SHEET
(General Business Case)

Schedule A

Accounts Receivable and (Net) Payable

Receivables and Payables Agings	Accounts Receivable [Pre and Post Petition]	Accounts Payable [Post Petition]	Past Due Post Petition Debt
0 -30 Days			
31-60 Days			
61-90 Days			
91+ Days			
Total accounts receivable/payable	\$0	\$0	\$0
Allowance for doubtful accounts			
Accounts receivable (net)	\$0		

Schedule B

Inventory/Cost of Goods Sold

Types and Amount of Inventory(ies)	Inventory(ies) Balance at End of Month	Cost of Goods Sold
		Inventory Beginning of Month
		Add -
Retail/Restaurants -		Net purchase
Product for resale		Direct labor
		Manufacturing overhead
Distribution -		Freight in
Products for resale		Other:
Manufacturer -		
Raw Materials		
Work-in-progress		
Finished goods		
Other - Explain		
TOTAL	\$0	Cost of Goods Sold
		\$0

Method of Inventory Control

Do you have a functioning perpetual inventory system?

Yes _____ No _____

How often do you take a complete physical inventory?

Weekly _____
Monthly _____
Quarterly _____
Semi-annually _____
Annually _____

Date of last physical inventory was _____

Date of next physical inventory is _____

Inventory Valuation Methods

Indicate by a checkmark method of inventory used.

Valuation methods -

FIFO cost _____
LIFO cost _____
Lower of cost or market _____
Retail method _____
Other _____
Explain _____

**Schedule C
Real Property**

Description	<u>Cost</u>	<u>Market Value</u>
None		
Total	\$0	\$0

**Schedule D
Other Depreciable Assets**

Description	<u>Cost</u>	<u>Market Value</u>
Machinery & Equipment -		
Inventory	\$0	
Total	\$0	\$0

Furniture & Fixtures -		
Intangibles & Intellectual Property	\$0	
Total	\$0	\$0

Office Equipment -		
Total	\$0	\$0

Leasehold Improvements -		
Other Assets	\$0	
Total	\$0	\$0

Vehicles -		
Total	\$0	\$0

Schedule E
Aging of Post-Petition Taxes
(As of End of the Current Reporting Period)

Taxes Payable	<u>0-30 Days</u>	<u>31-60 Days</u>	<u>61-90 Days</u>	<u>91+ Days</u>	<u>Total</u>
Federal					
Income Tax Withholding					\$0
FICA - Employee					\$0
FICA - Employer					\$0
Unemployment (FUTA)					\$0
Income					\$0
Other (Attach List)					\$0
Total Federal Taxes	\$0	\$0	\$0	\$0	\$0
State and Local					
Income Tax Withholding					\$0
Unemployment (UT)					\$0
Disability Insurance (DI)					\$0
Empl. Training Tax (ETT)					\$0
Sales					\$0
Excise					\$0
Real property					\$0
Personal property					\$0
Income					\$0
Other (Attach List)					\$0
Total State & Local Taxes	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$0	\$0	\$0	\$0	\$0

Schedule F
Pre-Petition Liabilities

<u>List Total Claims For Each Classification -</u>	<u>Claimed Amount</u>	<u>Allowed Amount (b)</u>
Secured claims (a)	\$0	
Priority claims other than taxes	\$287,500	
Priority tax claims		
General unsecured claims	\$3,684,282	

- (a) List total amount of claims even it under secured.
- (b) Estimated amount of claim to be allowed after compromise or litigation. As an example, you are a defendant in a lawsuit alleging damage of \$10,000,000 and a proof of claim is filed in that amount. You believe that you can settle the case for a claim of \$3,000,000. For Schedule F reporting purposes you should list \$10,000,000 as the Claimed Amount and \$3,000,000 as the Allowed Amount.

Schedule G
Rental Income Information
Not applicable to General Business Cases

Schedule H
Recapitulation of Funds Held at End of Month

	<u>Account 1</u>	<u>Account 2</u>	<u>Account 3</u>	<u>Account 4</u>
Bank	Wells Fargo	Wells Fargo	Integrity Bank	Independent
Account Type	Checking	Checking	Checking	Checking
Account No.	...6745	...6737	...2662	...2662
Account Purpose	Debtor Acct	Debtor Acct	Trustee Acct	New Trustee Acc
Balance, End of Month	\$0	\$0	\$0	\$295,784
Total Funds on Hand for all Accounts	\$295,784			

Attach copies of the month end bank statement(s), reconciliation(s), and the check register(s) to the Monthly Operating Report.

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**Increase/(Decrease) in Cash and Cash Equivalents****For the Month Ended August, 2018**

		Actual Current Month	Cumulative (Case to Date)
Cash Receipts			
1	Cash Received from Debtor's bank accounts	0.00	2,473.61
2	Cash Received from Sales		
3	Interest Received		
4	Borrowings	23,000.00	123,905.00
5	Funds from Shareholders, Partners, or Other Insiders		
6	Capital Contributions		
7	Sale of Medizone Assets	298,159.91	298,159.91
8	Refund from Unused Insurance Policy	3,977.96	3,977.96
9			
10			
11			
12	Total Cash Receipts	325,137.87	428,516.48
Cash Disbursements			
13	Payments for Medical Samples		
14	Cash Paid for General Business Expenses	885.58	4,132.92
15	Professional Fees - Court Approved	20,058.73	27,500.00
16	Capital Expenditures		
17	Principal Payments on Debt		
18	Interest Paid		
	Rent/Lease:		
19	Personal Property		
20	Real Property		9,126.08
	Amount Paid to Owner(s)/Officer(s)		
21	Salaries		
22	Draws		
23	Commissions/Royalties		
24	Expense Reimbursements		
25	Contract Services	2,304.69	6,872.67
26	Salaries/Commissions (Inclusive)	23,932.44	72,377.60
27	Management Fees		
	Taxes:		
28	Employee Withholding		
29	Employer Payroll Taxes		
30	Real Property Taxes		
31	Other Taxes		
32	Other Cash Outflows:		
33	Product Liability Insurance	718.64	1,404.61
34	Bank Fees	447.45	554.63
35	Telephone Services	25.41	326.32
36	General Business Insurance	2,187.00	2,840.30
37	Lab Licensing & Annual Renewal	3,225.76	4,571.67
38	Total Cash Disbursements:	53,785.70	129,706.80
39	Net Increase (Decrease) in Cash	271,352.17	298,809.68
40	Cash Balance, Beginning of Period	27,457.51	
41	Cash Balance, End of Period	298,809.68	298,809.68

STATEMENT OF CASH FLOWS
(Optional) Increase/(Decrease) in Cash and Cash Equivalents
For the Month Ended August, 2018

	Actual	Cumulative
Cash Flows From Operating Activities	<u>Current Month</u>	<u>(Case to Date)</u>
1 Cash Received from debtor's bank accounts.	0.00	2,473.61
2 Rent/Leases Collected		
3 Refund from unused Insurance Policy	3,977.96	3,977.96
4 Cash Paid to Suppliers		
5 Cash Paid for Selling Expenses		
6 Cash Paid for General Business Expenses	885.58	4,132.92
Cash Paid for Rents/Leases:		
7 Personal Property		
8 Real Property	0.00	9,126.08
9 Cash Paid for Interest		
10 Cash Paid for Payroll and Benefits	23,932.44	72,377.60
Cash Paid to Owner(s)/Officer(s)		
11 Payroll Services (Inclusive)		
12 Draws		
13 Commissions/Royalties		
14 Expense Reimbursements		
15 Contract Services	2,304.69	6,872.67
Cash Paid for Taxes Paid/Deposited to Tax Acct.		
16 Employer Payroll Tax		
17 Employee Withholdings		
18 Real Property Taxes		
19 Other Taxes		
20 Cash Paid for Medical Samples Expenses		
21 Product Liability Insurance	718.64	1,404.61
22 Bank Fees	447.45	554.63
23 Telephone Services	25.41	326.32
24 General Business Insurance (HUB)	2,187.00	2,840.30
25 Lab Licensing & Annual Renewal	3,225.76	4,571.67
26		
27 Net Cash Provided (Used) by Operating Activities before Reorganization Items	-29,749.01	-95,755.23
Cash Flows From Reorganization Items		
28 Interest Received on Cash Accumulated Due to Chp 11 Case		
29 Professional Fees Paid for Services in Connection with Chp 7 Case	20,058.73	27,500.00
30 U.S. Trustee Quarterly Fees		
31		
32 Net Cash Provided (Used) by Reorganization Items	-20,058.73	-27,500.00
33 Net Cash Provided (Used) for Operating Activities and Reorganization Items	-49,807.74	-123,255.23
Cash Flows From Investing Activities		
34 Capital Expenditures		
35 Proceeds from Sales of Medizone assets	298,159.91	298,159.91
36		
37 Net Cash Provided (Used) by Investing Activities	298,159.91	298,159.91
Cash Flows From Financing Activities		
38 Net Borrowings (Except Insiders)	23,000.00	123,905.00
39 Net Borrowings from Shareholders, Partners, or Other Insiders		
40 Capital Contributions		
41 Principal Payments		
42		
43 Net Cash Provided (Used) by Financing Activities	23,000.00	123,905.00
44 Net Increase (Decrease) in Cash and Cash Equivalents	271,352.17	298,809.68
45 Cash and Cash Equivalents at Beginning of Month	27,457.51	
46 Cash and Cash Equivalents at End of Month	298,809.68	298,809.68

UNITED STATES BANKRUPTCY COURT
District of Nevada

In Re:
MEDIZONE INTERNATIONAL, INC.

BK-S 18-12662 LEB

Notes to the Monthly Operating Report

General Notes:

1. Medizone International, Inc., (Medizone) filed for Chapter 7 bankruptcy protection on May 8, 2018. The debtor was incorporated in the State of Nevada, but headquartered in Kalamazoo, Michigan. Medizone leased a building and conducted their business operations at 945 Princess Street, Kinston, ON, K7L OE9, Canada.

This is the third and final month of operation under the direction and supervision of a Federal Bankruptcy Trustee. From the date of filing to May 8, 2018, several motions and stipulations were filed with the US Bankruptcy Court requesting permission to allow Medizone to continue to operate until such time as the Trustee is allowed to sell the company and their operations, in Canada.

The debtor is a global provider of disinfection solutions and invented the method of AsepticSure (Registered) system of disinfecting non-porous surfaces. The business itself is not in a position to receive income, during the normal course of business, therefore requires outside funding to keep the debtor's business operating. The US Bankruptcy Court has approved a loan of \$200,000.

This Monthly Operating Report (MOR) covers the period of August, 2018. However, there were several payments performed, by the Trustee, which occurred in September, 2018. These payments were for transactions that occurred in August, 2018, but the payments were made in September, 2018. There will not be any further MOR's. During the month of August, 2018, the Trustee has requested and received \$123,905.00 of the approved loan. The August, 2018, MOR reflects that infusion of money. The Debtor's bank accounts were closed, and the Trustee received approximately \$2,473.61 which has been logged as cash from bank accounts for the month of June, 2018. No sales or invoicing of customers has occurred during the month of August, 2018.

As outlined in the Motion to Sell the assets of Medizone, the Trustee was to terminate his operation of the company, as of August 31, 2018, and receive the proceeds of \$298,159.91 for the assets of the debtor company.

The information in this report conforms to the principals of GAAP, as outlined in the attached reports, based on the Trustee's cash method of accounting. This MOR becomes the third and final MOR to be filed, by the Special Accountant, who has been authorized by the US Bankruptcy Court to prepare MOR's for June, July and August, 2018. The Special Accountant has not received any financial documents to assist him in preparing the August, 2018, MOR, except the accounting records from the Trustee.

Page 2,

Therefore, this report now reflects the amounts for the “End of Month” column on the Summary of Financial Status Report.

All financial information contained in this August, 2018, MOR comes solely from the Trustee’s Form 2 accounting documents, and the bankruptcy schedules filed on May 5, 2018.

Finally, during the month of August, 2018, the Trustee’s bank account, Integrity Bank, was purchased by Independent Bank and all monies in the Integrity Bank account ...2662 was transferred to Independent Bank to the new account ...2662.

Summary of Financial Status:

There are no prior financial data available to inserted into the June, 2018, MOR, as shown on the summary page of the MOR, as well as any supporting pages that make up the July, 2018, MOR.

9. Prior Court Appointments obtained by the Trustee for Schwartzer & McPherson Law Firm and William M. Holland, Special Accountant. There could be additional Motions filed for other professionals.
13. There is no plan of re-organization filed nor will there be one anytime soon. It is the intent of the Trustee to sell the business assets to one of the creditors, after he receives approval of the US Bankruptcy Court.



Date 8/03/18 Page 1
 Account Number 46711812662
 Enclosures 3

123459

EST OF MEDIZONE INTERNATIONAL INC DEBTOR
 LENARD E SCHWARTZER TRUSTEE
 CHAPTER 7 CASE NO 18-12662

 BANKRUPTCY***DO NOT MAIL

---- CHECKING ACCOUNTS ----

Thanks for banking with
 Independent Bank!

COMMERCIAL CHECKING		Number of Enclosures	3
Account Number	46711812662	Statement Dates	8/01/18 thru 8/05/18
Previous Balance	35,393.34	Days in the statement period	5
Deposits/Credits	.00	Average Ledger	31,725
3 Checks/Debits	4,848.04	Average Collected	31,725
Service Charge	7.60		
Interest Paid	.00		
Ending Balance	30,537.70		

Checks and Withdrawals

Date	Description	Amount
8/05	SERVICE CHARGE	7.60

Checks in Serial Number Order

Date	Check No.	Amount	Date	Check No.	Amount
8/03	4	1,439.92	8/01	119*	383.41
8/02	113*	3,024.71			

*Indicates Skip in Check Number

Daily Balance Information

Date	Balance	Date	Balance
8/01	35,009.93	8/03	30,545.30
8/02	31,985.22	8/05	30,537.70



INTEGRITY BANK

#92932-002#
07/31/2018
11002000300012

This is a LEGAL COPY of your check. You can use it the same way you would use the original check.

2018 AUG 03 07:31 PM

VOID AFTER 90 DAYS DATE: 07/31/2018 CHECK NO: 117

PAY: ONE THOUSAND FOUR HUNDRED TWENTY-NINE AND 00/100

TO THE ORDER OF: JAY & ROSE 701 N. 13TH ST. SUITE 100 LAS VEGAS, NV 89101

LEONARD E. SCHWARTZ, TRUSTEE
2850 S. JONES BLVD., SUITE 1
LAS VEGAS, NV 89146

CASE #: 18-12662-LEB
CASE: MEDIZONE INTERNATIONAL, INC.
Debtor(s)

INTEGRITY BANK
4040 Washington Ave.
Houston, TX - 77007

00000119# 46711812662# 46711812662#

46711812662# 46711812662# 46711812662#

Check 4 Amount \$1,439.92 Date 8/3/2018

2018 AUG 03 07:31 PM

VOID AFTER 90 DAYS DATE: 07/31/2018 CHECK NO: 117

PAY: ONE THOUSAND FOUR HUNDRED TWENTY-NINE AND 00/100

TO THE ORDER OF: JAY & ROSE 701 N. 13TH ST. SUITE 100 LAS VEGAS, NV 89101

LEONARD E. SCHWARTZ, TRUSTEE
2850 S. JONES BLVD., SUITE 1
LAS VEGAS, NV 89146

CASE #: 18-12662-LEB
CASE: MEDIZONE INTERNATIONAL, INC.
Debtor(s)

INTEGRITY BANK
4040 Washington Ave.
Houston, TX - 77007

00000119# 46711812662# 46711812662#

46711812662# 46711812662# 46711812662#

Check 4 Back

Leonard E. Schwartz, Trustee
2850 S. Jones Blvd., Ste 1
Las Vegas NV 89146

CASE #: 18-12662-LEB
CASE: MEDIZONE INTERNATIONAL, INC.
Debtor(s)

INTEGRITY BANK
4040 Washington Ave.
Houston, TX - 77007

VOID AFTER 90 DAYS DATE: 07/24/2018 CHECK NO: 113

PAY: THREE THOUSAND TWENTY-FOUR AND 71/100 \$3,024.71

TO THE ORDER OF: GUTC, INC. 845 PRINCESS ST BOX 119 KINGSTON, ON K7L 0E9,

LEONARD E. SCHWARTZ, TRUSTEE

00000119# 46711812662# 46711812662#

Check 113 Amount \$3,024.71 Date 8/2/2018

01AUG2018
001 23562
70534366060020
00816-783723

VOID AFTER 90 DAYS DATE: 07/24/2018 CHECK NO: 113

PAY: THREE THOUSAND TWENTY-FOUR AND 71/100 \$3,024.71

TO THE ORDER OF: GUTC, INC. 845 PRINCESS ST BOX 119 KINGSTON, ON K7L 0E9,

LEONARD E. SCHWARTZ, TRUSTEE

00000119# 46711812662# 46711812662#

Check 113 Back

Leonard E. Schwartz, Trustee
2850 S. Jones Blvd., Ste 1
Las Vegas NV 89146

CASE #: 18-12662-LEB
CASE: MEDIZONE INTERNATIONAL, INC.
Debtor(s)

INTEGRITY BANK
4040 Washington Ave.
Houston, TX - 77007

VOID AFTER 90 DAYS DATE: 07/24/2018 CHECK NO: 119

PAY: THREE HUNDRED EIGHTY-THREE AND 41/100 \$383.41

TO THE ORDER OF: Margaret McLara

3029647780

LEONARD E. SCHWARTZ, TRUSTEE

00000119# 46711812662# 46711812662#

Check 119 Amount \$383.41 Date 8/1/2018

001528146763

VOID AFTER 90 DAYS DATE: 07/24/2018 CHECK NO: 119

PAY: THREE HUNDRED EIGHTY-THREE AND 41/100 \$383.41

TO THE ORDER OF: Margaret McLara

3029647780

LEONARD E. SCHWARTZ, TRUSTEE

00000119# 46711812662# 46711812662#

Check 119 Back

**Independent
Bank**3090 Craig Drive
PO Box 3035
McKinney, TX 75070

ACCOUNT NUMBER	46711812662
STATEMENT DATE	8/31/18
PAGE	1 of 6

EST OF MEDIZONE INTERNATIONAL INC DEBTO
LENARD E SCHWARTZER TRUSTEE
CHAPTER 7 CASE NO 18-12662

BANKRUPTCY TRUSTEE



**ESTABLISH A SENSIBLE AND REWARDING SAVINGS STRATEGY.
OUR COMPETITIVE RATES CAN GET YOU STARTED.**

**CONTACT ONE OF
OUR RELATIONSHIP
EXPERTS TODAY OR CALL
CUSTOMER CARE AT 800.460.6634.**

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CHECKING TRUSTEE

Account Number Ending	2662	Statement Dates	8/06/18 thru 9/03/18
Previous Stmt Balance	30,537.70	Days in the statement period	29
Deposits/Credits	321,167.51	Average Ledger	56,745.43
Checks/Debits	50,652.97	Average Collected	56,745.43
Service Charge	5,268.41		
Interest Paid	.00		
Current Stmt Balance	295,783.83		

SERVICE CHARGE SUMMARY

Date	Description	Amount
8/31	Bank Admin Fee in Service Chg	5,268.41

DEPOSITS AND OTHER CREDITS

Date	Description	Amount
8/06	DESCRIPTIVE CREDIT	7.60
8/15	REGULAR DEPOSIT	8,000.00
8/21	REGULAR DEPOSIT	15,000.00
8/31	WIRE-IN 20182430000100 MEDIZON 1/MEDIZONE INTERNATIONAL INC	298,159.91

OTHER DEBITS

Date	Description	Amount
8/16	WIRE-OUT 20182280092600 CERIDI CERIDIAN CANADA PAYROLL TRUST	12,017.22-
8/21	WIRE-OUT 20182330112700 OXOID OXOID COMPANY	1,138.17-
8/27	WIRE-OUT 20182390121800 CERIDI	11,915.22-

[illegible]



ACCOUNT NUMBER	46711812662
STATEMENT DATE	8/31/18
PAGE	3 of 6

EST OF MEDIZONE INTERNATIONAL INC DEBTO
 LENARD E SCHWARTZER TRUSTEE
 CHAPTER 7 CASE NO 18-12662

BANKRUPTCY TRUSTEE

OTHER DEBITS (continued)		
Date	Description	Amount
8/31	CERIDIAN CANADA PAYROLL TRUST Service Charge	5,268.41-

CHECKS IN NUMBER ORDER					
Date	Check No	Amount	Date	Check No	Amount
8/21	106	25.69	8/17	125	5,558.73
8/08	118*	1,345.91	8/16	126	14,500.00
8/21	122*	804.40	8/31	127	718.64
8/21	123	49.08	8/30	128	1,156.80
8/15	124	1,147.89	8/08	9999*	275.22

(*) Indicates Gap in Sequence

DAILY BALANCE SUMMARY					
Date	Balance	Date	Balance	Date	Balance
8/06	30,545.30	8/16	9,259.06	8/27	4,767.77
8/08	28,924.17	8/17	3,700.33	8/30	3,610.97
8/15	35,776.28	8/21	16,682.99	8/31	295,783.83

Independent Bank
xxxxx2662Page: 4 of 6
Date: 8/31/18

TrustSolutions
Account Number 46711812662/001
08/15/2018 15:00
\$8,000.00

1119163261 #46711812662

Check 0 Amount 8000.00 Date 8/15/2018

11211260039700

Check 0 Amount 8000.00 Date 8/15/2018

Leonard E. Schwartz, Trustee
2830 S. Jones Blvd., Ste 1
Las Vegas NV 89146

Case #: 18-12662-LEB
Acct #: 46711812662
Case: MEDIZONE INTERNATIONAL, INC., Debtor(s).

INDEPENDENT BANK
4040 Washington Ave.
Houston, TX - 77007

Date of Deposit: 08/20/2018
DEPOSIT TICKET
Total Deposit: \$15,000.00
Received From: JILL MARSHALL
Amount: \$15,000.00
MICROENT Dr # 47594 8/21/18
Transit 13 11610736
BN Deposit

1119163261 #46711812662 41500000

Check 0 Amount 15000.00 Date 8/21/2018

11211260039700 08-21-2018
Independent Bank >111916326<
McKinney, TX

Check 0 Amount 15000.00 Date 8/21/2018

Leonard E. Schwartz, Trustee
2830 S. Jones Blvd., Ste 1
Las Vegas NV 89146

Case #: 18-12662-LEB
Case: MEDIZONE INTERNATIONAL, INC., Debtor(s).

INDEPENDENT BANK
4040 Washington Ave.
Houston, TX - 77007

VOID AFTER 90 DAYS DATE: 06/22/2018 CHECK NO: 106
PAY: TWENTY-FIVE AND 49/100 \$25.69
TO THE ORDER OF: MICHAEL SHANNON
Trustee

1119163261 #46711812662

Check 106 Amount 25.69 Date 8/21/2018

20180818
11211260039700 08-21-2018
Independent Bank >111916326<
McKinney, TX

Check 106 Amount 25.69 Date 8/21/2018

Leonard E. Schwartz, Trustee
2830 S. Jones Blvd., Ste 1
Las Vegas NV 89146

Case #: 18-12662-LEB
Case: MEDIZONE INTERNATIONAL, INC., Debtor(s).

INDEPENDENT BANK
4040 Washington Ave.
Houston, TX - 77007

VOID AFTER 90 DAYS DATE: 07/24/2018 CHECK NO: 118
PAY: ONE THOUSAND THREE HUNDRED FORTY-FIVE AND 91/100 \$1,345.91
TO THE ORDER OF: KELLY BROWN CONSULTING
160 OLDEN CASTLE RD
KINGSTON, OH 44145
Trustee

1119163261 #46711812662

Check 118 Amount 1345.91 Date 8/8/2018

20180804
11211260039700 08-21-2018
Independent Bank >111916326<
McKinney, TX

Check 118 Amount 1345.91 Date 8/8/2018

272732-0028
08/16/2018
1100020000200021

Leonard E. Schwartz, Trustee
2830 S. Jones Blvd., Ste 1
Las Vegas NV 89146

Case #: 18-12662-LEB
Case: MEDIZONE INTERNATIONAL, INC., Debtor(s).

INDEPENDENT BANK
4040 Washington Ave.
Houston, TX - 77007

VOID AFTER 90 DAYS DATE: 08/09/2018 CHECK NO: 123
PAY: FORTY-NINE AND 08/100 \$49.08
TO THE ORDER OF: MICHAEL SHANNON
Trustee

1119163261 #46711812662

Check 122 Amount 804.40 Date 8/21/2018

20180818
11211260039700 08-21-2018
Independent Bank >111916326<
McKinney, TX

Check 122 Amount 804.40 Date 8/21/2018

Leonard E. Schwartz, Trustee
2830 S. Jones Blvd., Ste 1
Las Vegas NV 89146

Case #: 18-12662-LEB
Case: MEDIZONE INTERNATIONAL, INC., Debtor(s).

INDEPENDENT BANK
4040 Washington Ave.
Houston, TX - 77007

VOID AFTER 90 DAYS DATE: 08/09/2018 CHECK NO: 123
PAY: FORTY-NINE AND 08/100 \$49.08
TO THE ORDER OF: MICHAEL SHANNON
Trustee

1119163261 #46711812662

Check 123 Amount 49.08 Date 8/21/2018

20180818
11211260039700 08-21-2018
Independent Bank >111916326<
McKinney, TX

Check 123 Amount 49.08 Date 8/21/2018

Leonard E. Schwartzler, Trustee
 2850 S. James Blvd., Ste 1
 Las Vegas NV 89146


Check #: 18-12663-LEB
 Cname: MEDIZONE INTERNATIONAL, INC.
 Dallas(Tx).

INDEPENDENT BANK
 4040 Washington Ave.
 Houston, TX - 77067

VOID AFTER 90 DAYS DATE: 08/09/2018 CHECK NO: 124

PAY: ONE THOUSAND ONE HUNDRED FORTY SEVEN AND 89 / 100 \$1,147.89

TO THE ORDER OF: DYLAN SIMPSON

SIGNATURE: 

TYPED NAME: SIMPSON

MICR LINE: @ 0000124 4 4114146326 4 467141812652 P

Check 124 Amount 1147.89 Date 8/15/2018

[illegible]

check 124 Amount 1147.89 Date 8/15/2018

Leonard E. Schwartz, Trustee
 2850 S. Jones Blvd., Ste 1
 Las Vegas NV 89146

Case #: 18-12662-LEB
 Case: MEDIZIONE INTERNATIONAL, INC.
 Debtor(s).

INDEPENDENT BANK
 4500 Washington Ave
 Houston, TX. 77007

VOID AFTER 90 DAYS DATE: 08/09/2018 CHECK NO: 125

PAY: FIVE THOUSAND FIVE HUNDRED FIFTY-EIGHT AND 72 / 100 \$5,558.73

TO THE ORDER OF: CAGAN MACLEAN IF LAW FIRM
 150 MACLEAN ST
 OTTAWA, ONTARIO
 CANADA K2P 0M6

Trustee

BALANCE OF DEPOSIT PAY FOR OTHER ENCLOSED NOTES (DOC 31)

⑈ 00000125⑈ ⑆1119416326⑆ ⑆67711818662⑆

Check 125 Amount 5558.73 Date 8/17/2018

☐ CHECK HERE AFTER CLOSING
 DATE: _____
 BY: _____
 DO NOT WRITE BELOW

SWIFT REPORT
 ON THIS LINE

**For Deposit to the Account of
 Cescan Maclean IP Agency Inc.
 00006-010 03-46012
 Canadian Imperial Bank of Commerce
 Main Branch, 119 Spadina St., Ottawa**

1. **Account** 0348012
 2. **Source Number** 00000000
 3. **Transfer** 00000000
 4. **Amount** 00000000

1. **Account** - Account type, branch, and office address
 2. **Source Number** - Source identification number
 3. **Transfer** - Transfer type and amount
 4. **Amount** - Amount in dollars and cents

Check 125 Amount 5558.73 Date 8/17/2018

LEONARD E. Schwartz, Trustee
 2830 S. Jones Blvd., Ste 1
 Las Vegas NV 89146

Case #: 15-12662-LEB
 Case: MEDIZONE INTERNATIONAL, INC.
 Debtor(s).

INDEPENDENT BANK
 4440 Washington Ave.
 Houston, TX 77007

VOID AFTER 90 DAYS DATE: 08/09/2018

CHECK NO. 126

PAY: FOURTEEN THOUSAND FIVE HUNDRED AND 00/100 \$14,500.00

TO THE ORDER OF: TIGUAN LOVELL S L P, LLP
 555 THIRTIETH ST, NW
 WASHINGTON, DC 20005

THREE

SPECIAL COUNSEL ADVISES THE CREDIT INTEREST DURING

⑈ 00000126 ⑈ 01144916326 ⑈ 542714412662⑈

Check 126 Amount 14500.00 Date 8/16/2018

WILLIS TAYLOR BANK, N.A.
NORFOLK DEPOSIT UNIT
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603-955

Check 126 Amount 14500.00 Date 8/16/2018

Leonard E. Schwartz, Trustee
 2850 S. Jones Blvd., Ste 1
 Las Vegas NV 89146

Case #: 15-12662-LEB
 Case: MEDZONE INTERNATIONAL, INC.
 Debtor(s).

INDEPENDENT BANK
 4040 Washington Ave.
 Houston, TX - 77001

VOID AFTER 90 DAYS DATE: 06/27/2018 CHECK NO: 127

PAY: SEVEN HUNDRED EIGHTEEN AND 64 / 100 5718.64

TO THE ORDER OF: MICROWAN INSURANCE GROUP INC.
 333 INDIANAPOLIS BLVD SUITE 200
 INDIANAPOLIS, IN 46204

T-Trustee

MICROWAN INSURANCE GROUP INC. LIABILITY INSURANCE

⑈ 00000127⑈ ⑆1515151262⑆ ⑆676715181262⑆

Check 127 Amount 718.64 Date 8/31/2018

For Deposit Only - JPMC

Check 127 Amount 718.64 Date 8/31/2018

Leonard E. Schwartz, Trustee
 2050 S. Jones Blvd., Ste J
 Las Vegas NV 89146

Case #: 15-12562-1BB
 Case: MEDIZONE INTERNATIONAL, INC.
 Debtor(s).

INDEPENDENT BANK
 4040 Washington Ave.
 Houston, TX - 77007

VOID AFTER 90 DAYS DATE: 08/27/2018 CHECK NO: 128

PAY TO: ONE THOUSAND ONE HUNDRED FIFTY-SIX AND 80 / 100 \$1,156.80

TO THE ORDER OF: DYLAN EDMISON
 80 TROSKAN AVE
 KINGSTON, ONT K7K 2N6
 CANADA

TECHNICAL ASSISTANT REF

⑈00000128⑈ ⑆111916326⑆ ⑆46711812562⑈

Check 128 Amount 1156.80 Date 8/30/2018

[illegible]

Check 128 Amount 1156.80 Date 8/30/2018

Leonard E. Schwartzman, Trustee
 2850 S. Jones Blvd., Ste J
 Las Vegas NV 89146


Case #: 1E-12663-LER
 Client: MEDIZONE INTERNATIONAL, INC.
 Debtor(s).

SECURITY BANK
 4645 Washington Ave.
 Dallas, TX - 75207

VOID AFTER 90 DAYS DATE: 07/24/2018 CHECK NO: 120

PAY TO THE ORDER OF: DR. MICHAEL SHANNON

TWO HUNDRED SEVENTY-FIVE AND 22 / 100 \$275.22



TRUSTEE

BANK GUARANTEED FOR EXCESS SIGNING. COMPLETION OF ALL REQUIREMENTS MUST BE MET FOR VALIDITY.
 @ 00000120 # 1113094436 # F45761812662#

check 9999 Amount 275.22 Date 8/8/2018

20180604
Cokelec
1248197864 00000000345026251214
TDCI 08R 3400 TOR
12180607 IN: 1148647924
TOR

TDCI WAR TOR
12180607 IN: 1148647924

check 9999 Amount 275.22 Date 8/8/2018

Independent Bank
xxxxx2662

Page: 6 of 6
Date: 8/31/18